Reading to go and as soon as I hear that you agree I will see him about it. The Premier went off to-day for a week's rest." „

The matter was further discussed at the Cabinet Meeting of s8th August, 1917. A telegram was dispatched to the British Ambassador intimating that the War Cabinet had decided in view of the difficulties which had arisen in connection with the financial situation, to ask Lord Reading to go out on special mission to the United States. He would have their full authority to negotiate with the Administration and to decide on behalf of His Majesty's Government any questions that might be raised. Though primarily concerned with finance, he would be authorised to deal with any subject which he considered desirable for the proper discharge of his mission.

Financial tension growing

Meanwhile the tension in our financial relations with the States was increasing. and on 7th September, 1917, Lord Northcliffe sent me the following cable :—

" May I suggest that the Press be circularised with a warning of the very delicate condition of Anglo-American finance at present and urged to make any reference to Reading's visit as tactfully as possible.

If you let Press know that funds are dealt to us by U.S.A. in driblets and that our allowance was suddenly cut down this week, they would fully

understand the essential importance of Reading's mission. If I myself were in charge I should publish the whole truth. The difficulties of Reading's task are as great as those of Royden whose success is undoubtedly due to the fact that he is liked by